



State of Utah

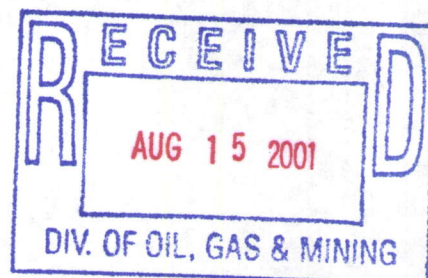
School and Institutional
TRUST LANDS ADMINISTRATION

Michael O. Leavitt
Governor

David T. Terry
Director

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m/037/081



August 14, 2001

Jerry Holiday Construction
P.O. Box 502
Blanding, UT 84511

RE: ML 45960-BSLS

Dear Mr. Holiday,

On July 11, 2001, the Director conditionally released CD (Zions Bank) in the amount of \$21,000 and CD (Wells Fargo Bank) in the amount of \$34,000, held by the Trust Lands Administration as bonds for mining operations under mineral lease ML 45960.

Lessee is required to immediately post replacement bonds with the Utah Division of Oil, Gas & Mining. Failure of Lessee to post such replacement bonds in a timely manner as determined by the Division of Oil, Gas & Mining shall be considered a breach of the terms and conditions of the mineral lease and may subject the lease to cancellation by the Director.

Sincerely,

John T. Blake
Mineral Resources Specialist

CC: Wayne Hedberg